

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF FARMDALE WATER)	
DISTRICT FOR A DEVIATION FROM THE)	CASE NO. 2008-00026
REQUIREMENTS OF 807 KAR 5:066,)	
SECTION 4(4), REGARDING WATER STORAGE)	

O R D E R

On January 17, 2008, Farmdale Water District ("Farmdale") applied for permission to deviate from 807 KAR 5:066, Section 4(4), which requires that each utility maintain minimum water storage of one day's supply of its average daily usage. Farmdale states in its application that its average daily water usage, including unaccounted-for water, is approximately 639,000 gallons, and that its current water storage capacity is 378,000 gallons. This leaves Farmdale at an average daily storage deficit of 261,000 gallons. Farmdale purchases all of its water from the Frankfort Electric & Water Plant Board.

The Commission, having reviewed the application and being otherwise sufficiently advised, finds that:

1. Farmdale is not in compliance with 807 KAR 5:066, Section 4(4).
2. Farmdale states in its application that it is planning to construct a 300,000-gallon elevated water tank that would increase its storage capacity to 678,000 gallons and eliminate its daily storage deficit. This project would be funded by either a Kentucky Infrastructure Authority grant or U.S. Department of Agriculture Rural Development loan or grant.

3. Because of the time needed to plan, finance, and construct water storage facilities, Farmdale should be allowed to comply with 807 KAR 5:066, Section 4(4), on or before January 16, 2013.

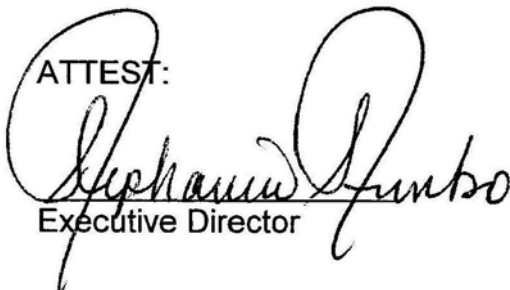
IT IS THEREFORE ORDERED that:

1. Farmdale shall comply with the provisions of 807 KAR 5:066, Section 4(4), no later than January 16, 2013.

2. Farmdale shall take all necessary actions to bring its water storage facilities into compliance with Commission regulations prior to January 16, 2013.

Done at Frankfort, Kentucky, this 12th day of June, 2008.

By the Commission

ATTEST:

Executive Director